

## FISCAL NOTE

TO: Chief Clerk of the Senate  
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 27, 1995

SUBJECT: **SB 1338 - HB 1050**

This bill, if enacted, will allow the owner of lands, which are determined to be wetlands by any state or federal agency, to require the state to acquire the wetlands at fair market value or the owner may elect to retain the land, in which case such land shall have a zero value for all state and local property taxes. The owner shall file an election with the Commissioner of Finance and Administration within 30 days from the date the land is declared to be wetlands.

The fiscal impact from enactment of this bill is estimated to be a maximum increase in state expenditures of approximately \$240 million. This estimate assumes that 75% of wetlands in the state or 600,000 acres will be purchased by the state at an estimated cost of \$400 acre; or in the alternative, should landowners choose to retain the property, enactment of the bill is estimated to result in a minimum loss of local government revenues of approximately \$1.6 million. This estimate is based on the assumption that property tax revenues of \$2/acre/year will be lost for 800,000 acres which will be rendered tax exempt but not sold to the state.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director